

Exhibit III

Fee Application for the period

February 1, 2008 through February 29, 2008

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

W. R. Grace & Co. et al.¹;

Debtors.

Chapter 11

**Case No. 01-01139 (JKF)
Jointly Administered**

Objection Deadline:

May 12, 2008 at 4:00 p.m.

**Hearing date: To be scheduled only if objections
are timely filed and served.**

NOTICE OF FILING OF MONTHLY FEE APPLICATION

To: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Asbestos Personal Injury Claimants; (5) Counsel to the Official Committee of Asbestos Property Damage Claimants; (6) Counsel to the Official Committee of Equity Holders; and (7) Counsel to the Debtors-in-Possession Lenders (8) the Fee Auditor:

Capstone Advisory Group, LLC ("Capstone"), financial advisors to the Official Committee of Unsecured Creditors of the above captioned debtor and debtors in possession in the above-captioned chapter 11 cases, filed and served its Forty-Ninth Interim Application for Allowance of Compensation and for Services Rendered and Reimbursement of Expenses

¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Incurred for the period from February 1, 2008 through February 29, 2008 (the "Monthly Fee Application"). Capstone is seeking compensation in the amount of \$66,948.80, representing 80% of \$83,686.00, which is the total amount of fees incurred, and reimbursement for actual and actual and necessary expenses in the amount of \$423.31.

Objections or responses to the Monthly Fee Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **May 12, 2008 at 4:00 p.m.**


At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel for the Debtors, James H.M. Sprayregen, Esquire, Kirkland & Ellis, 200 East Randolph Drive, Chicago, Illinois 60601 (fax number 312-861-2200), and Laura Davis Jones, Esquire, Pachulski, Stang, Ziehl, Young & Jones P.C., 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705 (Courier 19801) (fax number 302-652-4400); (ii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, New York 10038-4982 (fax number 212-806-6006), and Michael R. Lastowski, Esquire, Duane Morris LLP, 1100 N. Market Street, Suite 1200, Wilmington, Delaware 19801-1246 (fax number 302-657-4901); (iii) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Blizin, Sumberg, Dunn, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, Florida 33131 (fax number 305-374-7593), and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market Street, Suite 904, P.O. Box 1351, Wilmington, Delaware 19899 (fax number 302-575-1714); (iv) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale,

399 Park Avenue, 36th Floor, New York, New York 10022 (fax number 212-644-6755) and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15th Floor, 1201 Market Street, Suite 1500, Wilmington, Delaware 19801 (fax number 302-426-9947); (v) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins , Sears Tower, Suite 5800, Chicago, Illinois 60606 (fax number 312-993-9767), and Steven M. Yoder, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. 25130, Wilmington, Delaware 19899 (fax number 302-658-6395); (vi) counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, New York 10022 (fax number 212-715-8000); and (vii) the Office of the United States Trustee, Attn: David Klauder, Esquire, 844 N. King Street, Wilmington, Delaware 19801 (fax number 302-573-6497); and (viii) the Fee Auditor, to Bobbi Ruhlander, Warren H. Smith and Associates, Republic Center, 325 N. St. Paul, Suite 1275, Dallas, TX 75201.

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Dated: April 21, 2008
Wilmington, DE

RESPECTFULLY SUBMITTED,



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Co-Counsel for the Official Committee of
Unsecured Creditors of W. R. Grace & Co., et al.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W.R. GRACE & Co., <u>et al.</u> ,)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors)	
)	

**FORTY-NINTH INTERIM APPLICATION OF CAPSTONE ADVISORY GROUP, LLC,
FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Name of Applicant:	Capstone Advisory Group, LLC (formerly known as Capstone Corporate Recovery, LLC)
Authorized to Provide Professional Services to:	The Official Committee of Unsecured Creditors
Date of Retention:	June 8, 2004 (<u>nunc pro tunc</u> to February 4, 2004)
Period for which compensation and reimbursement is sought:	February 1, 2008 through February 29, 2008
Amount of Compensation sought as actual, reasonable and necessary (80% of \$83,686.00):	\$ 66,948.80
Amount of Expense Reimbursement sought as actual, reasonable and necessary (100%):	<u>423.31</u>
Total Amount Due:	\$ 67,372.11

Capstone replaced FTI Consulting, Inc. ("FTI") as financial advisors to the Official Committee of Unsecured Creditors, nunc pro tunc to February 4, 2004, so ordered by the Court on June 8, 2004.

The total time expended and included herein for the December and January monthly fee statements, as well as the 16th Quarterly Fee Application is 11.5 hours and corresponding compensation requested is approximately \$3,239.00.

This is the Forty-ninth Interim Application filed by Capstone. Disclosure for the current period and prior periods is as follows:

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

**ATTACHMENT A
TO FEE APPLICATION**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
June 10, 2004	February 4, 2004 through February 29, 2004	\$94,882.00	\$3,932.07	\$75,905.60
June 10, 2004	March 1, 2004 through March 31, 2004	\$136,415.50	\$1,819.00	\$109,132.40
Totals First Quarterly	February 4, 2004 through March 31, 2004	\$231,297.50	\$5,751.07	\$185,038.00
June 12, 2004	April 1, 2004 through April 30, 2004	\$61,925.00	\$678.33	\$49,540.00
July 13, 2004	May 1, 2004 Through May 31, 2004	\$32,665.00	\$477.15	\$26,132.00
August 5, 2004	June 1, 2004 through June 30, 2004	\$106,470.50	\$1,119.63	\$85,176.40
Totals Second Quarterly	April 1, 2004 through June 30, 2004	\$201,060.50	\$2,275.11	\$160,848.40
August 31, 2004	July 1, 2004 through July 31, 2004	\$68,533.50	\$667.60	\$54,826.80
September 24, 2004	August 1, 2004 through August 31, 2004	\$99,215.50	\$1,341.49	\$79,372.40
October 28, 2004	September 1, 2004 through September 30, 2004	\$44,918.25	\$658.72	\$35,934.60
Totals Third Quarterly	July 1, 2004 through September 30, 2004	\$212,667.25	\$2,667.81	\$170,133.80

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
December 6, 2004	October 1, 2004 through October 31, 2004	\$57,592.50	229.77	\$46,074.00
December 22, 2004	November 1, 2004 through November 30, 2004	\$84,366.50	\$745.91	\$67,493.20
January 28, 2005	December 1, 2004 Through December 31, 2004	\$82,351.00	\$ 1,943.96	\$65,880.80
Totals Fourth Quarterly	October 1, 2004 through December 31, 2004	\$224,310.00	\$2,919.64	\$179,448.00
February 25, 2005	January 1, 2005 through January 31, 2005	\$69,477.00	\$276.18	\$55,581.60
March 29, 2005	February 1 through February 28, 2005	\$77,228.50	\$1,727.60	\$61,782.80
May 6, 2005	March 1, 2005 through March 31, 2005	\$126,012.00	\$ 494.94	\$100,809.60
Totals Fifth Quarterly	January 1, 2005 through March 31, 2005	\$272,717.50	\$2,498.72	\$218,174.00
June 3, 2005	April 1, 2005 through April 30, 2005	\$ 87,936.00	\$ 435.16	\$ 70,348.80
July 6, 2005	May 1, 2005 through May 31, 2005	\$119,435.00	\$1,275.00	\$ 95,548.00
July 15, 2005	June 1, 2005 through June 30, 2005	\$89,859.00	\$542.69	\$71,887.20

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
Totals Sixth Quarterly	April 1, 2005 through June 30, 2005	\$297,230.00	\$2,252.85	\$237,784.00
September 19, 2005	July 1, 2005 through July 31, 2005	\$90,014.50	\$621.03	\$72,011.60
October 7, 2005	August 1, 2005 through August 31, 2005	\$126,233.00	\$1,532.46	\$100,986.40
October 31, 2005	September 1, 2005 through September 30, 2005	75,983.50	\$482.03	\$60,786.80
Totals Seventh Quarterly	July 1, 2005 through September 30, 2005	\$292,231.00	\$2,635.52	\$233,784.80
December 16, 2005	October 1, 2005 through October 31, 2005	95,742.50	\$750.36	76,594.00
December 30, 2005	November 1, 2005 through November 30, 2005	\$118,062.00	\$1,119.74	\$94,449.60
February 9, 2006	December 1, 2005 through December 31, 2005	\$122,018.50	\$938.82	\$97,614.80
Totals Eighth Quarterly	October 1, 2005 through December 31, 2005	\$335,823.00	\$2,808.92	\$268,658.40
March 21, 2006	January 1, 2006 through January 31, 2006	\$85,745.00	\$631.01	\$68,596.00
April 20, 2006	February 1, 2006 through February 28, 2006	\$173,916.50	\$2,359.69	\$139,133.20

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
May 9, 2006	March 1 through March 31, 2006	\$141,040.50	\$1,017.99	\$112,832.40
Totals Ninth Quarterly	January 1, 2006 through March 31, 2006	\$400,702.00	\$4,008.69	\$320,561.60
May 23, 2006	April 1, 2006 through April 30, 2006	\$125,055.00	\$1,929.46	\$100,044.00
June 21, 2006	May 1, 2005 Through May 31, 2006	\$146,396.50	\$965.43	\$117,117.20
July 20, 2006	June 1, 2006 Through June 30, 2006	\$140,368.50	\$1,263.86	\$140,368.50
Totals Tenth Quarterly	April 1, 2006 through June 30, 2006	\$411,820.00	\$4,158.75	\$329,456.00
	Adjustment for July photocopies		\$(6.55)	
August 25, 2006	July 1, 2006 through July 31, 2006	\$102,449.00	\$566.51	\$ 81,959.20
October 2, 2006	August 1, 2006 Through August 31, 2006	\$111,154.00	\$505.01	\$88,923.20
November 13, 2006	September 1, 2006 through September 30, 2006	\$75,103.50	\$633.57	\$ 60,082.80
Totals Eleventh Quarterly	July 1, 2006 through September 30, 2006	\$288,706.50	\$1,698.54	\$230,965.20
December 20, 2006	October 1, 2006 Through October 31, 2006	\$63,155.50	\$206.40	\$50,524.40

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
January 22, 2007	November 1, 2006 Through November 30, 2006	\$98,985.50	\$809.09	\$79,997.49
March 20, 2007	December 1, 2006 Through December 31, 2006	\$59,630.50	\$381.70	\$47,704.40
Totals Twelfth Quarterly	October 1, 2006 through December 31, 2006	\$221,771.50	\$1,397.19	\$177,417.20
April 20, 2007	January 1, 2007 through January 31, 2007	\$55,703.00	\$ 166.00	\$44,562.40
April 20, 2007	February 1, 2007 through February 28, 2007	\$87,120.50	\$ 344.89	\$69,696.40
June 29, 2007	March 1, 2007 through March 31, 2007	\$119,047.50	\$472.38	\$95,238.00
Totals Thirteenth Quarterly	January 1, 2007 through March 31, 2007	\$261,871.00	\$983.27	\$209,496.80
June 29, 2007	April 1, 2007 through April 30, 2007	\$77,267.00	\$221.70	\$61,813.60
July 3, 2007	May 1, 2007 through May 31, 2007	\$101,181.00	\$838.49	\$80,944.80
August 31, 2007	June 1, 2007 through June 30, 2007	\$90,040.50	\$744.21	\$72,032.40
Totals Fourteenth Quarterly	April 1, 2007 Through June 30, 2007	\$268,488.50	\$1804.40	\$214,790.80

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AND REIMBURSEMENT OF EXPENSES INCURRED
(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

Date Filed (on or about)	Period Covered	Fees (100%)	Expenses (100%)	Fees (80% of requested fees)
October 23, 2007	July 1, 2007 through July 31, 2007	\$78,971.00	\$636.29	\$63,176.80
October 23, 2007	August 1, 2007 through August 31, 2007	\$74,596.00	\$184.06	\$59,676.80
November 7, 2007	September 1, 2007 through September 30, 2007	\$78,887.50	\$396.82	\$63,110.00
Total Fifteenth Quarterly	July 1, 2007 through September 30, 2007	\$232,454.50	\$1217.17	\$185,963.60
January 23, 2008	October 1, 2007 through October 31, 2007	\$51,391.50	\$293.56	\$41,113.20
January 23, 2008	November 1, 2007 through November 30, 2007	\$82,993.00	\$407.99	\$66,394.40
February 7, 2008	December 1, 2007 through December 31, 2007	\$53,730.50	\$308.15	\$42,984.40
Totals Sixteenth Quarterly	October 1, 2007 Through December 31, 2007	\$188,115.00	\$1009.70	\$150,492.00
March 4, 2008	January 1, 2008 through January 31, 2008	\$62,899.50	\$174.14	\$50,319.60
April 14, 2008	February 1, 2008 through February 29, 2008	\$83,686.00	\$423.31	\$66,948.80

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(FOR THE PERIOD FROM FEBRUARY 1, 2008 THROUGH FEBRUARY 29, 2008)**

ATTACHMENT B

1. Summary of Fees by Professional
2. Summary of Fees by Task Code
3. Detailed Task Descriptions
4. Summary of Expenses

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Professional
For the Period 2/1/08 through 2/29/08

Professional	Position	Billing Rate	Hours	Fees
E. Ordway	Member	\$650	10.30	\$6,695.00
S. Cunningham	Member	\$650	40.80	\$26,520.00
R. Frezza	Consultant	\$550	0.50	\$275.00
J. Dolan	Consultant	\$395	120.20	\$47,479.00
M. DeSalvio	Research	\$165	13.00	\$2,145.00
N. Backer	Paraprofessional	\$110	5.20	\$572.00
For the Period 2/1/08 through 2/29/08			190.00	\$83,686.00

W.R. Grace & Co.
Capstone Advisory Group, LLC
Summary of Fees by Task Code
For the Period 2/1/08 through 2/29/08

Task Code	Task Description	Hours	Fees
01. Acquisitions/Divestitures	During the Fee Application period, the Applicant prepared numerous detailed analyses regarding an acquisition Project Fly, including review of presentation materials received from Debtor's, financial information, and related agreements and prepared a report to the Committee thereon.	28.10	\$14,822.50
03. Claims Analysis & Valuation	During the Fee Application period, the Applicant prepared various analyses of claims, reviewed recovery scenarios under various assumptions and reviewed and discussed estimation trial summaries.	48.30	\$24,102.00
04. Creditor Committee Matters	During the Fee Application period, the Applicant discussed case issues including environmental issues, acquisitions, estimation trial, and settlements with counsel and Committee members as well as review of docket submissions.	10.00	\$4,868.00
05. Employee Matters/KERP/Other	During the Fee Application period, the Applicant analyzed request for pension funding and prepared a report to the Committee thereon.	21.60	\$9,781.50
06. Environmental Mtrs/Regs/Litig.	During the Fee Application period, the Applicant analyzed data related to the EPA Multi-site motion and liability transfer motion, as well as analyzed counsel's memos and recommendations regarding the agreements.	9.80	\$4,942.00
07. Fee Applications & Invoices	During the Fee Application Period, the Applicant prepared the December and January Monthly Fee Statements, as well as the 16 th Quarterly Fee Application.	11.50	\$3,239.00
08. Financial Analysis - Schedules & Statements	During the Fee Application Period, the Applicant prepared various analyses regarding December 4Q07 and full year 2007 results, as well as analyzed the ART JV Refinancing.	20.90	\$8,639.00
10. Financial Analysis - Cash Collateral and DIP Financing	During the Fee Application period, the Applicant analyzed data and prepared a report to the Committee on the DIP refinance.	20.50	\$8,658.50
19. Tax Issues	During the Fee Application Period, the Applicant prepared various analyses related to Remedium tax motion and the Optimization Plan.	4.60	\$1,817.00
21. Research	During the Fee Application period, the Applicant analyzed peer group data to determine valuation multiples.	13.00	\$2,145.00
26. Meetings with Debtors/Advisors	During the Fee Application Period, the Applicant prepared for and participated in a discussion regarding certain environmental matters.	1.70	\$651.50
For the Period 2/1/08 through 2/29/08		190.00	\$83,686.00

W.R. Grace & Co.
Capstone Advisory Group, LLC
Detailed Time Description by Task Code
For the Period 2/1/08 through 2/29/08

Date	Professional	Hours	Detailed Time Description
01. Acquisitions/Divestitures			
2/1/2008	J. Dolan	1.90	Prepared report to the Committee on acquisition, Project Fly.
2/1/2008	S. Cunningham	4.20	Read and analyzed Project Fly information.
2/4/2008	J. Dolan	2.50	Discussion with counsel and incorporated comments into Project Fly report to the Committee.
2/4/2008	J. Dolan	0.70	Read and analyzed additional information received from Company related to Project Fly.
2/4/2008	E. Ordway	0.90	Directed staff in reviewing acquisition data.
2/4/2008	S. Cunningham	3.10	Read and analyzed Project Fly data.
2/5/2008	E. Ordway	0.70	Prepared/edited report to Committee regarding acquisition.
2/5/2008	J. Dolan	2.00	Revisions to Project Fly report to the Committee and distribution thereof.
2/5/2008	S. Cunningham	2.40	Read and analyzed Project FLY report to the Committee and related data.
2/6/2008	J. Dolan	1.40	Analysis of Exhibit D received from Debtors related to Project Fly agreements.
2/7/2008	J. Dolan	2.50	Read and analyzed revised distribution agreement and exhibits related to Project Fly.
2/7/2008	J. Dolan	1.00	Read and analyzed counsel's memo on IP section of distribution agreement related to Project Fly.
2/7/2008	J. Dolan	0.80	Discussion internally regarding the minimum payments due under exclusivity threshold related to Project Fly.
2/7/2008	J. Dolan	0.70	Analysis of minimum payments related the exclusivity threshold.
2/11/2008	S. Cunningham	3.30	Read and analyzed pension information and acquisition data related to Project Fly.
Subtotal		28.10	

Date	Professional	Hours	Detailed Time Description
03. Claims Analysis & Valuation			
2/1/2008	J. Dolan	1.80	Prepared for and participated in discussion with Blackstone regarding treatment of post-petition LCs.
2/5/2008	J. Dolan	1.80	Read and analyzed National Union settlement as related to treatment of drawn LCs post-petition.
2/5/2008	J. Dolan	0.50	Developed questions for Blackstone and Debtors related to post-petition LCs.
2/8/2008	J. Dolan	1.00	Prepared for and participated in call with Blackstone and the Debtors regarding LC treatment.
2/11/2008	J. Dolan	1.60	Documented understanding of LC fees and interest after discussion with Debtors.
2/12/2008	S. Cunningham	3.70	Prepared recovery analysis.
2/14/2008	S. Cunningham	2.30	Prepared recovery analysis.
2/14/2008	J. Dolan	0.70	Prepared hypothetical market value of asbestos claims analysis based on current stock price.
2/15/2008	J. Dolan	2.20	Update to recovery analysis based on changes in stock price, and other assumptions.
2/15/2008	E. Ordway	0.40	Reviewed updated recovery analysis prepared by staff.
2/18/2008	J. Dolan	2.50	Prepared various analyses to update recovery analysis.
2/20/2008	S. Cunningham	4.20	Review recovery scenarios re: default interest, asbestos estimates.
2/21/2008	J. Dolan	1.00	Read and analyzed detail received from the Debtors regarding Letters of Credit.
2/21/2008	J. Dolan	2.40	Updated recovery analysis for Letter of credit interest and fees.
2/22/2008	E. Ordway	0.50	Directed staff in updating recovery analysis based on current data.
2/25/2008	J. Dolan	0.50	Analyzed claims as of Dec 31, 2007 received from the Company.
2/25/2008	J. Dolan	1.50	Updated recovery analysis based on 12/31/07 claims.
2/26/2008	J. Dolan	2.70	Preparation of recovery analysis including LC int and fees and updates to other assumptions.
2/26/2008	S. Cunningham	1.40	Updated recovery analysis.
2/27/2008	J. Dolan	0.80	Revisions to recovery analysis for counsel review.
2/27/2008	S. Cunningham	3.20	Read and analyzed updated claim and recovery analysis.

Date	Professional	Hours	Detailed Time Description
2/28/2008	J. Dolan	1.40	Reviewed update of recovery analysis with counsel.
2/28/2008	J. Dolan	1.60	Pre-meeting and discussions with counsel and Navigant regarding liability transfer transaction and related documents.
2/28/2008	E. Ordway	0.90	Prepared revised estimate of excess cash for use in recovery analysis.
2/28/2008	J. Dolan	1.50	Analysis of interest rate assumptions impact on recovery.
2/28/2008	J. Dolan	1.80	Prepared questions for follow-up regarding Liability transfer transaction.
2/28/2008	J. Dolan	1.30	Update to recovery analysis based on changes in assumptions.
2/29/2008	S. Cunningham	3.10	Read and analyzed revised interest rate, and recovery assumption.
Subtotal		48.30	
04. Creditor Committee Matters			
2/5/2008	J. Dolan	0.60	Researched interest rate as requested by counsel.
2/5/2008	J. Dolan	0.60	Update to work plan.
2/6/2008	J. Dolan	0.50	Read and analyzed counsel's memo regarding disclosure statement interest rates.
2/7/2008	J. Dolan	0.70	Read and analyzed counsel's memo on City of Cambridge motion.
2/8/2008	J. Dolan	0.40	Call with member of the bank group regarding treatment of LC questions.
2/11/2008	J. Dolan	0.40	Read and analyzed recent docket submissions.
2/14/2008	J. Dolan	0.50	Read and analyzed recent docket submissions.
2/18/2008	J. Dolan	0.50	Update with counsel and team regarding recently filed motions and request for additional information.
2/19/2008	S. Cunningham	3.30	Read and analyzed recently filed motions - re DIP, Art JV
2/19/2008	J. Dolan	0.60	Read and analyzed recent docket submissions.
2/21/2008	J. Dolan	0.50	Read and analyzed recent docket submissions.
2/25/2008	J. Dolan	0.40	Read and analyzed recent docket submissions.
2/26/2008	E. Ordway	0.30	Read docket summary prepared by staff.
2/28/2008	J. Dolan	0.70	Read and analyzed recent docket submissions.
Subtotal		10.00	

Date	Professional	Hours	Detailed Time Description
05. Employee Matters/KERP/Other			
2/7/2008	J. Dolan	1.50	Read and analyzed draft of pension funding motion April 2008.
2/11/2008	E. Ordway	0.80	Reviewed pension accounting rules regarding prior service cost.
2/11/2008	J. Dolan	1.50	Read and analyzed draft pension motion.
2/11/2008	J. Dolan	1.80	Researched prior pension motions and recommendations as compared to recent filing.
2/13/2008	E. Ordway	0.80	Directed staff in preparing pension report.
2/13/2008	J. Dolan	2.50	Prepared report to the Committee regarding recently filed pension funding motion.
2/14/2008	J. Dolan	2.50	Prepared report to the Committee on the pension funding request.
2/14/2008	E. Ordway	0.60	Reviewed counsel correspondence regarding pension issues.
2/14/2008	E. Ordway	0.30	Called Committee member to discuss pension issues.
2/14/2008	J. Dolan	0.30	Analyzed final motion filed for pension funding.
2/14/2008	J. Dolan	0.50	Analyzed pension funding data and prepared request for additional information from Debtor.
2/19/2008	J. Dolan	1.40	Prepared report to the Committee regarding pension funding.
2/20/2008	J. Dolan	1.00	Updated report to the Committee based on information received regarding pension motion.
2/20/2008	J. Dolan	0.60	Prepared for and participated in call with Debtors regarding pension funding.
2/21/2008	J. Dolan	1.40	Finalized report to the Committee regarding pension funding.
2/22/2008	S. Cunningham	2.40	Read and analyzed draft memos re ARTJV, pension
2/25/2008	J. Dolan	0.50	Prepared for and participated in discussion with counsel regarding pension funding and related issues.
2/25/2008	J. Dolan	0.70	Revisions to pension funding report to the Committee based on counsel comments.
2/26/2008	J. Dolan	0.50	Finalized and distributed pension report to the Committee.
Subtotal		21.60	

Date	Professional	Hours	Detailed Time Description
06. Environmental Mtrs/Regs/Litig.			
2/5/2008	J. Dolan	1.40	Read and analyzed Order relating to Multi-Site Agreement.
2/5/2008	J. Dolan	0.50	Documented summary of Order related to Multi-Site Agreement.
2/26/2008	J. Dolan	3.70	Read and analyzed liability transfer motion and related exhibits.
2/28/2008	S. Cunningham	4.20	Review retained liability motion, prepare for update call.
Subtotal		9.80	
07. Fee Applications & Invoices			
2/7/2008	N. Backer	0.60	Edited the December fee application.
2/7/2008	J. Dolan	0.70	Prepared December fee app.
2/7/2008	J. Dolan	0.50	Prepared monthly fee app.
2/7/2008	N. Backer	1.20	Prepared January fee application.
2/11/2008	J. Dolan	1.00	Prepared January 2008 fee app.
2/11/2008	E. Ordway	0.30	Prepared fee application.
2/18/2008	N. Backer	1.20	Prepared 16th Quarterly Fee Application.
2/19/2008	J. Dolan	0.50	Prepared Jan fee application.
2/19/2008	N. Backer	0.90	Prepared 16th Quarterly fee application.
2/19/2008	N. Backer	1.30	Prepared Jan. Fee application.
2/19/2008	J. Dolan	0.50	Prepared quarterly fee app.
2/19/2008	E. Ordway	0.40	Reviewed/prepared fee application.
2/20/2008	J. Dolan	1.20	Prepared 4th quarter fee app.
2/21/2008	J. Dolan	0.70	Prepared 4th quarter fee app.
2/21/2008	J. Dolan	0.50	Prepared January fee app.
Subtotal		11.50	

Date	Professional	Hours	Detailed Time Description
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08. Financial Analysis - Schedules & Statements

2/8/2008	J. Dolan	2.40	Read and analyzed December 2007 operating report.
2/11/2008	R. Frezza	0.50	L/C fee accrual issue discussion with company
2/12/2008	J. Dolan	3.50	Prepared analysis of 4Q 07 results including snapshot of EBITDA, sales compared to prior year and Plan.
2/12/2008	J. Dolan	1.00	Read and analyzed Form 8k.
2/14/2008	J. Dolan	0.30	Analyzed final motion filed for ART JV extension.
2/15/2008	J. Dolan	2.50	Read and analyzed Executive Summary Financial Statements as of December 31, 2007.
2/18/2008	J. Dolan	1.50	Prepared report to the Committee on ART JV refinance.
2/18/2008	J. Dolan	0.80	Analyzed ART JV motion for extension of credit agreement and developed request for additional information.
2/19/2008	J. Dolan	1.50	Prepared report to the Committee regarding the ART JV line of credit extension.
2/22/2008	J. Dolan	1.80	Prepared various analyses related to 4th quarter 2007 results.
2/22/2008	E. Ordway	0.30	Read and analyzed December operating results and noted items for staff to further review.
2/26/2008	E. Ordway	0.90	Continued review of December results.
2/27/2008	J. Dolan	2.00	Preparation of analysis for 4th quarter results.
2/29/2008	J. Dolan	1.90	Analysis related to 4Q 07 results.
Subtotal		20.90	

10. Financial Analysis - Cash Collateral and DIP Financing

2/14/2008	J. Dolan	0.30	Analyzed final motion filed for DIP extension.
2/14/2008	J. Dolan	1.50	Read and analyzed DIP motion and prepared report to Committee thereon.
2/18/2008	E. Ordway	0.90	Read data regarding ART JV re-fi and listed items for staff to investigate.
2/18/2008	J. Dolan	0.60	Read and analyzed DIP term sheet received from Debtors.
2/18/2008	J. Dolan	0.40	Read and analyzed final term sheet as related to final DIP motion.
2/18/2008	J. Dolan	1.70	Researched recent DIP filings to compare competitiveness of rate and fees and incorporated into analysis.

Date	Professional	Hours	Detailed Time Description
2/18/2008	J. Dolan	1.30	Prepared report to the Committee on DIP motion.
2/19/2008	J. Dolan	1.70	Researched comparable recent DIP filings in the market related to refinance.
2/19/2008	J. Dolan	1.50	Prepared report to the Committee related to DIP extension and modification.
2/19/2008	E. Ordway	0.80	Reviewed DIP documents and noted items for staff to investigate.
2/19/2008	J. Dolan	2.70	Analysis of DIP fees and interest compared to prior analyses.
2/21/2008	J. Dolan	3.10	Preparation of report to the Committee regarding DIP extension and ART JV extension.
2/25/2008	J. Dolan	1.00	Prepared for and participated in discussion with Blackstone regarding treatment of post-petition LCs. and related issues.
2/25/2008	J. Dolan	0.30	Prepared additional information request to Blackstone regarding pension funding.
2/25/2008	J. Dolan	0.90	Revisions to report to the Committee regarding DIP financing based on counsel comments.
2/25/2008	J. Dolan	0.60	Read and analyzed 5th DIP amendment received from the Debtors.
2/26/2008	J. Dolan	0.70	Finalized and distributed DIP and ARTJV refinance report to the Committee.
2/28/2008	E. Ordway	0.50	Reviewed/finalized report to Committee on DIP.
Subtotal		20.50	
19. Tax Issues			
2/1/2008	J. Dolan	1.50	Finalized Remedium Tax Report to the committee.
2/13/2008	J. Dolan	1.20	Researched Optimization plan and related movement of assets.
2/14/2008	J. Dolan	1.40	Prepared for call with Committee member regarding Optimization Plan.
2/26/2008	J. Dolan	0.50	Read and analyzed counsels memo on tax refund settlement.
Subtotal		4.60	
21. Research			
2/7/2008	M. DeSalvio	1.00	Begin preliminary update to Grace peer group analysis.
2/11/2008	M. DeSalvio	0.50	Grace peer group analysis.
2/18/2008	M. DeSalvio	8.50	Grace DIP analysis.

Date	Professional	Hours	Detailed Time Description
2/19/2008	M. DeSalvio	2.00	Grace DIP analysis.
2/19/2008	M. DeSalvio	0.50	Check for peer 10-K reporting.
2/28/2008	M. DeSalvio	0.50	Retrieve credit ratings and Libor rates for both current period and when filed.
Subtotal		13.00	
26. Meetings with Debtors/Advisors			
2/28/2008	J. Dolan	1.70	Prepared for and participated in call with the Company to discuss liability transfer transaction and documents.
Subtotal		1.70	
Total Hours		190.00	

W.R. Grace & Co.
Capstone Advisory Group, LLC
Expense Detail
For the Period 2/1/08 through 2/29/08

Date	Professional	Detail	Amount
Copies			
2/29/2008	Capstone Expense	February Copies, 10 @ .10 ea	\$1.00
Subtotal - Copies			\$1.00
Research			
2/29/2008	Capstone Expense	February Bloomberg Service	\$213.00
2/29/2008	Capstone Expense	Pacer research service for February	\$19.84
Subtotal - Research			\$232.84
Scans			
2/29/2008	Capstone Expense	12 scans @ 1.00 ea	\$12.00
Subtotal - Scans			\$12.00
Telecom			
2/29/2008	Capstone Expense	Feb. Telecom Saddle Brook office	\$177.47
Subtotal - Telecom			\$177.47
For the Period 2/1/08 through 2/29/08			\$423.31